

AMENDED IN ASSEMBLY MAY 23, 2008

AMENDED IN ASSEMBLY APRIL 8, 2008

AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 2818

Introduced by Assembly Member Jones

February 22, 2008

~~An act to repeal and amend Section 65863.10 of the Government Code, and to amend Section 34315.7 of the Health and Safety Code;~~
An act to add Section 34315.8 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2818, as amended, Jones. Housing.

~~(1) Existing law, until January 1, 2011, requires, prior to the anticipated date of the termination of a subsidy contract, expiration of rental restrictions, or prepayment on an assisted housing development, as defined, that the owner proposing the termination, as defined, or prepayment of governmental assistance or the owner of an assisted housing development, as defined, in which there will be the expiration of rental restrictions provide a notice of the proposed change to each affected tenant household residing in the assisted housing development and to the affected public entities. Those defined terms are limited to certain federal subsidy programs.~~

~~This bill would expand the definition of “assisted housing development” for these purposes to include conventional public housing under a specified provision of federal law.~~

~~(2) The~~

The Housing Authorities Law requires the disposal of real property owned by a housing authority to be for certain purposes and in a specified order of priority.

This bill would prohibit a housing authority from disposing of housing units affordable to low- and moderate-income households, as defined, unless certain conditions are met.

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 34315.8 is added to the Health and Safety
2 Code, to read:
3 34315.8. (a) Notwithstanding Section 34315.7, the authority
4 shall not dispose of any real property containing housing units
5 affordable to low- and moderate-income households, as defined
6 by Section 50093, unless all of the following conditions are met:
7 (1) The authority has done all of the following:
8 (A) Notified the affected residents of the authority's
9 determination to seek disposition pursuant to subdivision (c).
10 (B) Provided the residents and community members with
11 opportunities to comment on the authority's request for disposition
12 at three public hearings.
13 (C) Provided notice of opportunity to comment in writing and
14 in person at the hearing to each affected resident, to all members
15 of any continuum of care process, as defined in Section 14043e-2
16 of Title 42 of the United States Code, for the area that includes
17 the authority, and any other interested party, not less than 14 days
18 prior to the hearing.
19 (D) Completed the public hearings not less than one year prior
20 to taking any action to dispose of the property, including, but not
21 limited to, entering into any contract, memorandum of
22 understanding, or disposition and development agreement.
23 (E) Considered comments provided pursuant to this paragraph
24 when determining whether to dispose of the property.
25 (2) The authority shall provide relocation assistance for all
26 families and persons to be temporarily or permanently displaced
27 from the units to be disposed of and shall make all of the payments
28 required by Chapter 16 (commencing with Section 7260) of
29 Division 7 of Title 1 of the Government Code, including, but not

1 limited to, any payments from federal government funds. The
 2 authority shall prepare and adopt a relocation plan pursuant to
 3 Chapter 16 (commencing with Section 7260) of Division 7 of Title
 4 1 of the Government Code, not less than one year prior to taking
 5 any action to dispose of the property. The authority shall not
 6 displace any person or family until a comparable replacement
 7 dwelling unit is available and ready for occupancy by that person
 8 or family. The authority shall not implement the relocation plan,
 9 relocate or displace any residents of the property subject to
 10 disposition, or engage in any other relocation activity except the
 11 preparation and adoption of a relocation plan, prior to obtaining
 12 approval from the Secretary of the United States Department of
 13 Housing and Urban Development for that disposition, and prior
 14 to providing written individual notice of any disposition approval
 15 to all families and persons to be temporarily or permanently
 16 displaced from the property. The authority shall require by contract
 17 or other appropriate means that families and persons displaced
 18 from units subject to disposition shall be given the first right of
 19 refusal to rent an available replacement unit for which the family
 20 qualifies, including, but not limited to, an offer of three replacement
 21 rental units of appropriate size, to the extent that more than one
 22 of those units exists.

23 (3) The authority shall require that each unit subject to
 24 disposition be replaced with a dwelling unit at the same affordable
 25 rent as existed prior to disposition, with the same or greater
 26 number of bedrooms as existed prior to disposition, and with the
 27 same tenant protections, including, but not limited to, good cause
 28 for termination of the lease, reasonable accommodations for
 29 disabilities and continuation of accommodations already granted,
 30 and opportunities to grieve actions or omissions related to
 31 management of the property. The units shall remain available at
 32 affordable housing rent to, and occupied by, eligible persons and
 33 families for the longest feasible time, but not for less than 55 years.
 34 Replacement dwelling units shall be available for occupancy not
 35 less than three years following the disposition of the units, and
 36 affordability of the units shall be ensured by the execution and
 37 recordation of covenants and restrictions pursuant to subdivision
 38 (b). Any units replaced at a site different than the existing units
 39 shall be located within the same city as the property subject to

1 disposition. “Affordable rent,” as used in this section, has the
2 same meaning specified in Section 50053.

3 (4) The authority shall adopt a replacement housing plan not
4 less than 120 days prior to the execution of an agreement for
5 acquisition of real property subject to disposition, or the execution
6 of an agreement for the disposition and development of that
7 property, or the execution of an owner participation agreement
8 that would lead to the disposition of the property. Not less than
9 30 days prior to adopting a replacement housing plan by
10 resolution, the authority shall make available a draft of the
11 proposed replacement housing plan for review and comment by
12 the project area committee, other public agencies, and the general
13 public. The replacement housing plan shall include, but is not
14 limited to, all of the following:

15 (A) The general location of housing subject to disposition, and
16 the location of replacement housing to be provided pursuant to
17 this section.

18 (B) An adequate means of financing the replacement housing,
19 including, but not limited to, the subsidies to be utilized to ensure
20 affordability of the dwelling units.

21 (C) A finding that the replacement housing does not require the
22 approval of the voters pursuant to Article XXXIV of the California
23 Constitution or that the approval has been obtained.

24 (D) The number of dwelling units housing persons and families
25 of low or moderate income planned for the replacement housing.

26 (E) The timetable for meeting the plan’s relocation,
27 rehabilitation, and replacement housing objectives. A dwelling
28 unit whose replacement is required by this section but for which
29 no replacement housing plan has been prepared, shall not be
30 disposed of until the authority has adopted a replacement housing
31 plan by resolution.

32 (b) Notwithstanding any other provision of law, covenants or
33 restrictions required by this section shall run with the land, and
34 shall be recorded and be enforceable according to the terms of
35 Article 4 (commencing with Section 33330) of Chapter 4 of Part
36 1, subject to all of the following:

37 (1) The authority shall impose the requirements of Article 4
38 (commencing with Section 33330) of Chapter 4 of Part 1 instead
39 of a redevelopment agency.

1 (2) Documents shall be recorded regardless of the provision of
2 moneys from the Low and Moderate Income Housing Fund.

3 (3) The covenants and restrictions shall be enforceable by the
4 authority, in addition to other entities, the residents, and any
5 redevelopment agency whose territorial jurisdiction includes the
6 subject property. For any replacement unit whose affordability
7 relies upon rental subsidies, the covenants and restrictions
8 recorded pursuant to this subdivision shall include a provision
9 that the subsidy must be accepted throughout the period of
10 affordability, and that there shall be no increase gross rent in
11 violation of Section 42 of Title 26 of the United States Code.

12 (c) For the purposes of subdivisions (a) and (b), disposition
13 shall include the authority's decision to terminate, not extend, or
14 not renew its participation in a federal government housing subsidy
15 or assistance program or contract providing project-based
16 assistance for any dwelling unit, including, but not limited to, any
17 of the following:

18 (1) An application for disposition pursuant to Section 1437p of
19 Title 42 of the United States Code.

20 (2) Any termination of a subsidy contract with or without sale
21 of real property.

22 (3) A decision to convert public housing to tenant-based
23 vouchers pursuant to Section 1437t or 1437z-5 of Title 42 of the
24 United States Code.

25 (4) Any other change in the form of a subsidy from project-based
26 to tenant-based assistance, including, but not limited to, the federal
27 programs described in Section 65863.10 of the Government Code.

28
29
30 **All matter omitted in this version of the bill**
31 **appears in the bill as amended in Assembly,**
32 **April 8, 2008 (JR11)**
33